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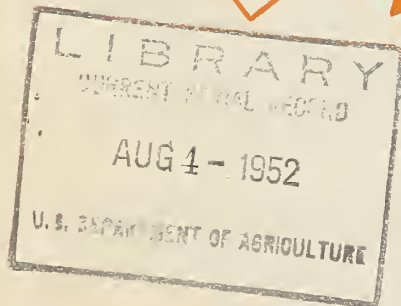
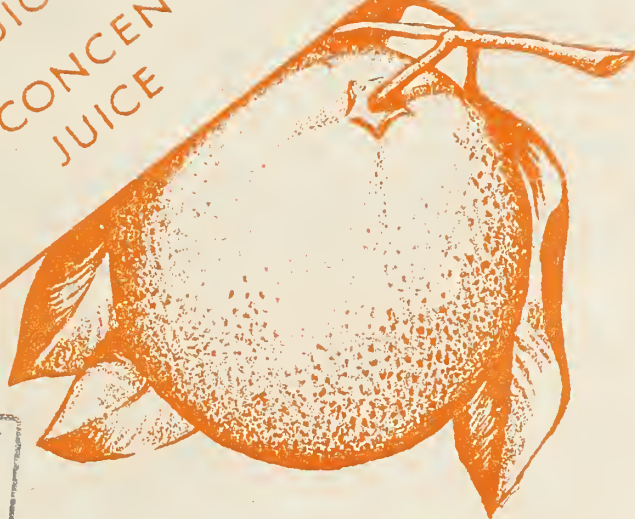
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Marketing Margins for FLORIDA ORANGES

IN 10 MAJOR CITIES

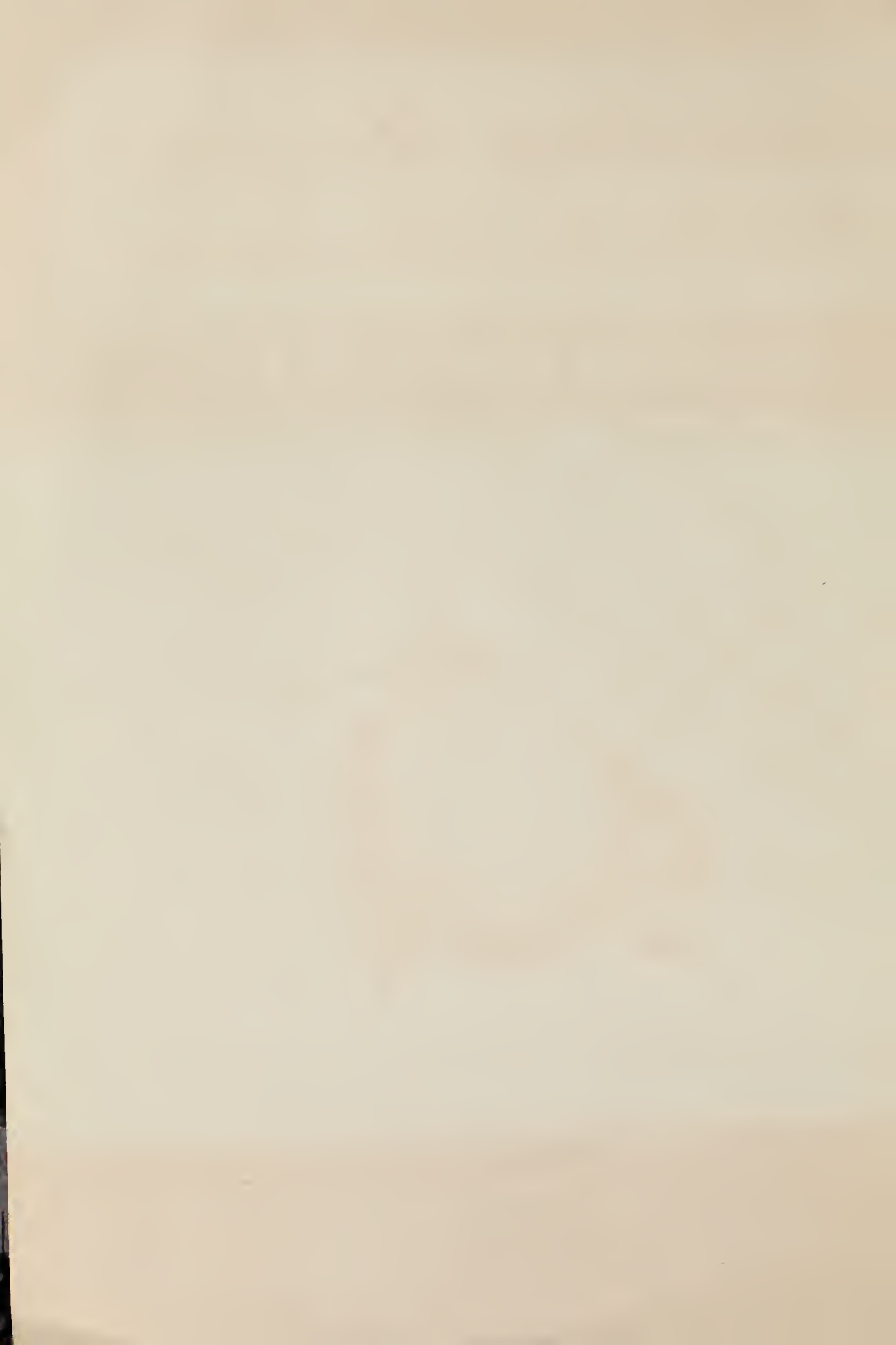
OCT.-NOV.
1951

FRESH FRUIT
CANNED JUICE
FROZEN CONCENTRATED
JUICE



UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
WASHINGTON, D. C.

JANUARY 1952



Marketing Margins for Florida Oranges
October-November 1951 1/

This is the first of a series of reports designed to indicate current changes in the margins taken by marketing agencies engaged in moving Florida oranges and orange products from grower to consumer. Reporting on a current basis will allow handlers of these products to observe changes in prices and margins as the season progresses. Differences in price spreads between the three predominant methods of utilizing Florida oranges--as fresh fruit, canned juice, and frozen concentrated juice--may also be noted from these data. Regional differences in margins can be found by comparing the differences in prices in the various cities. To facilitate comparison of prices and margins for each of the products, all prices in the accompanying tables have been converted to a fresh box equivalent basis.

Fresh Florida Oranges--Early season shipments of oranges brought growers a return of \$2.22 per box in October and \$1.39 per box in November, delivered at the packing house. Based on the few cities reporting retail sales, this represents an average return of 28.8 percent of the consumer's dollar in October and 22.1 percent in November.

The price of \$3.25 per box f.o.b. packing house in October and \$2.42 per box in November represented a packers' margin of 13.4 percent and 16.3 percent of the consumer's dollar respectively.

Transportation charges averaged 60 cents per box in October but increased to \$1.01 per box in November as the season progressed and fruit was shipped to more distant markets. Transportation charges represented 7.8 percent of the consumer's dollar in October and 16.0 percent in November.

During October retail price quotations were obtained from only 2 of the 10 cities. In October, retail prices in Atlanta and Birmingham averaged \$7.71 per box. During November, as shipments began to increase, retail prices were reported in 5 of the 10 cities--Atlanta, Birmingham, New York, Boston and Chicago--for an average retail price of \$6.30 per box.

Frozen Concentrated Orange Juice--No oranges were reported delivered to concentrators in October and November. Fruit suitable for production of frozen concentrate usually becomes available late in December or early in January. During October and November the carry-over from the production of last season brought \$3.33 per fresh box equivalent (\$1.45 per dozen 6-ounce cans) f.o.b. processor's warehouse.

Average transportation charges to the 10 cities of \$0.30 per fresh box equivalent represented a margin of 4.5 percent of the consumer's dollar in both October and November.

1/ Included in this report are monthly prices at specified points along the marketing channels for Florida oranges and orange products. Prices are reported for the following 10 cities: Atlanta, Ga.; Birmingham, Ala.; New York, N.Y.; Boston, Mass.; Chicago, Ill.; Minneapolis, Minn.; Dallas, Texas; Denver, Colo.; San Francisco, Calif.; and Seattle, Wash. This report is a part of the research on marketing citrus fruits being conducted under provisions of the Research and Marketing Act of 1946.

In October, retail prices varied from a low of \$6.34 per fresh box equivalent in New York to a high of \$7.08 in Atlanta, averaging \$6.67 per fresh box equivalent for the 10 cities. This represented an average of 24 cents per 6-ounce can. In November, retail prices were again lowest in New York at \$6.27 per fresh box equivalent while they were highest in Seattle at \$6.97 for a 10-city average of \$6.66 per fresh box equivalent.

Canned Single-Strength Orange Juice--Processing of canned single-strength orange juice began in November when growers received an average price of \$1.05 per box delivered to the cannery, or 24.2 percent of the 10-city average retail price.

The price f.o.b. cannery was \$2.54 per fresh box equivalent (\$2.10 per dozen 46-ounce cans) in November for a canners' margin of \$1.49 or 34.3 percent of the consumer's dollar. It should be noted that a substantial part of the juice sold by canneries in November was carried over from last season, when the average price received by growers was \$1.71 per box. For this reason the f.o.b. cannery price early in the season should be related to grower prices which prevailed at the end of the last season as well as at the beginning of the current season.

Transportation charges to the 10 cities averaged \$0.79 per fresh box equivalent in November, accounting for 18.2 percent of the retail price.

In October, retail prices varied from \$3.95 per fresh box equivalent in Birmingham to \$4.88 in Seattle and averaged \$4.41 (30 cents per 46-ounce can) in all 10 cities. Prices were somewhat lower in November, averaging \$4.34 per fresh box equivalent.

Table 1.--Florida fresh oranges: Prices paid, and price as a percentage of retail, at specified points in the marketing channel, by cities, October 1951 to date

Atlanta, Ga.								
Year beginning	Price							
	Received by grower at packing house		F.o.b. shipping point		Delivered to terminal market		To consumer	
	Per box	Percent- age of retail	Per box	Percent- age of retail	Per box	Percent- age of retail	Per box 1/	Percent- age of retail
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
1951								
Oct.	2.22	28.9	3.25	42.3	3.80	49.5	7.68	100.0
Nov.	1.39	26.5	2.42	46.2	2.97	56.7	5.24	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Birmingham, Ala.								
1951								
Oct.	2.22	28.7	3.25	42.0	3.90	50.5	7.73	100.0
Nov.	1.39	22.3	2.42	38.8	3.07	49.2	6.23	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
New York, N.Y.								
1951								
Oct.	2.22	-	3.25	-	3.63	50.7	7.16	100.0
Nov.	1.39	19.4	2.42	33.8	3.63	50.7	7.16	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Boston, Mass.								
1951								
Oct.	2.22	-	3.25	-	3.83	60.2	6.36	100.0
Nov.	1.39	21.9	2.42	38.1	3.83	60.2	6.36	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Chicago, Ill.								
1951								
Oct.	2.22	-	3.25	-	3.67	53.3	6.89	100.0
Nov.	1.39	20.2	2.42	35.1	3.67	53.3	6.89	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								

1/ Retail prices are converted to equivalent prices per box to facilitate comparison.

Continued

Table 1.--Florida fresh oranges: Prices paid, and price as a percentage of retail, at specified points in the marketing channel, by cities, October 1951 to date--Continued

Minneapolis, Minn.								
Year beginning	Price							
	Received by grower at packing house		F.o.b. shipping point		Delivered to terminal market		To consumer	
	Per box	Percent- age of retail	Per box	Percent- age of retail	Per box	Percent- age of retail	Per box 1/	Percent- age of retail
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
1951								
Oct.	2.22	-	3.25	-	-	-	-	-
Nov.	1.39	-	2.42	-	-	-	-	-
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Dallas, Tex.								
1951								
Oct.	2.22	-	3.25	-	-	-	-	-
Nov.	1.39	-	2.42	-	-	-	-	-
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Denver, Colo.								
1951								
Oct.	2.22	-	3.25	-	-	-	-	-
Nov.	1.39	-	2.42	-	-	-	-	-
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
San Francisco, Calif.								
1951								
Oct.	2.22	-	3.25	-	-	-	-	-
Nov.	1.39	-	2.42	-	-	-	-	-
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Seattle, Wash.								
1951								
Oct.	2.22	-	3.25	-	-	-	-	-
Nov.	1.39	-	2.42	-	-	-	-	-
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								

1/ Retail prices are converted to equivalent prices per box to facilitate comparison.

Table 2.--Florida frozen concentrated orange juice: Prices paid, and price as a percentage of retail, at specified points in the marketing channel, by cities, October 1951 to date

Atlanta, Ga.								
Year beginning	Price							
	Received by grower at processing house		F.o.b. shipping point		Delivered to terminal market		To consumer	
	Per box	Percent- age of retail	Per box 1/	Percent- age of retail	Per box 1/	Percent- age of retail	Per box 1/	Percent- age of retail
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
1951								
Oct.	-	-	3.33	47.0	3.51	49.6	7.08	100.0
Nov.	-	-	3.33	48.0	3.51	50.6	6.94	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Birmingham, Ala.								
1951								
Oct.	-	-	3.33	51.5	3.53	54.6	6.46	100.0
Nov.	-	-	3.33	49.0	3.53	51.9	6.80	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
New York, N. Y.								
1951								
Oct.	-	-	3.33	52.5	3.57	56.3	6.34	100.0
Nov.	-	-	3.33	53.1	3.57	56.9	6.27	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Boston, Mass.								
1951								
Oct.	-	-	3.33	50.9	3.58	54.7	6.54	100.0*
Nov.	-	-	3.33	51.5	3.58	55.4	6.46	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Chicago, Ill.								
1951								
Oct.	-	-	3.33	48.7	3.60	52.6	6.84	100.0
Nov.	-	-	3.33	48.8	3.60	52.7	6.83	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								

1/ Prices are converted to price per fresh box equivalent to facilitate comparison.

Continued

Table 2.--Florida frozen concentrated orange juice: Prices paid, and price as a percentage of retail, at specified points in the marketing channel, by cities, October 1951 to date--Continued

Minneapolis, Minn.								
Year beginning	Price							
	Received by grower at processing house		F.o.b. shipping point		Delivered to terminal market		To consumer	
	Per box	Percent- age of retail	Per box 1/	Percent- age of retail	Per box 1/	Percent- age of retail	Per box 1/	Percent- age of retail
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
1951								
Oct.	-	-	3.33	49.3	3.66	54.1	6.76	100.0
Nov.	-	-	3.33	49.9	3.66	54.8	6.68	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Dallas, Tex.								
1951								
Oct.	-	-	3.33	49.6	3.63	54.0	6.72	100.0
Nov.	-	-	3.33	51.5	3.63	56.2	6.46	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Denver, Colo.								
1951								
Oct.	-	-	3.33	51.7	3.72	57.8	6.44	100.0
Nov.	-	-	3.33	50.2	3.72	56.1	6.63	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
San Francisco, Calif.								
1951								
Oct.	-	-	3.33	50.5	3.77	57.2	6.59	100.0
Nov.	-	-	3.33	50.9	3.77	57.6	6.54	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Seattle, Wash.								
1951								
Oct.	-	-	3.33	48.0	3.77	54.3	6.94	100.0
Nov.	-	-	3.33	47.8	3.77	54.1	6.97	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								

1/ Prices are converted to price per fresh box equivalent to facilitate comparison.

Table 3.--Florida canned orange juice; Prices paid, and price as a percentage of retail, at specified points in the marketing channel, by cities, October 1951 to date

Atlanta, Ga.								
Year beginning	Price							
	Received by grower		F.o.b.		Delivered to		To	
	at cannery		shipping point		terminal market		consumer	
	Per box	Percent- age of retail	Per box	Percent- age of retail	Per box	Percent- age of retail	Per box	Percent- age of retail
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
1951								
Oct.	-	-	-	-	-	-	4.26	-
Nov.	1.05	24.6	2.54	59.6	2.91	68.3	4.26	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Birmingham, Ala.								
1951								
Oct.	-	-	-	-	-	-	3.95	-
Nov.	1.05	-	2.54	-	-	-	-	-
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
New York, N. Y.								
1951								
Oct.	-	-	-	-	-	-	4.51	-
Nov.	1.05	25.2	2.54	61.1	3.23	77.6	4.16	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Boston, Mass.								
1951								
Oct.	-	-	-	-	-	-	4.36	-
Nov.	1.05	24.7	2.54	59.8	3.27	76.9	4.25	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Chicago, Ill.								
1951								
Oct.	-	-	-	-	-	-	4.54	-
Nov.	1.05	22.3	2.54	54.0	3.24	68.9	4.70	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								

1/ Prices are converted to price per fresh box equivalent to facilitate comparison.

Continued

Table 3.--Florida canned orange juice: Prices paid, and price as a percentage of retail, at specified points in the marketing channel, by cities, October 1951 to date--Continued

Minneapolis, Minn.								
Year beginning	Price							
	Received by grower at cannery		F.o.b. shipping point		Delivered to terminal market		To consumer	
	Per box	Percent- age of retail	Per box 1/	Percent- age of retail	Per box 1/	Percent- age of retail	Per box 1/	Percent- age of retail
	Dollars	Percent	Dollars	Percent	Dollars	Percent	Dollars	Percent
1951								
Oct.	-	-	-	-	-	-	4.14	-
Nov.	1.05	24.9	2.54	60.2	3.45	81.8	4.22	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Dallas, Tex.								
1951								
Oct.	-	-	-	-	-	-	4.31	-
Nov.	1.05	25.1	2.54	60.6	3.36	80.2	4.19	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Denver, Colo.								
1951								
Oct.	-	-	-	-	-	-	4.65	-
Nov.	1.05	24.0	2.54	58.1	3.56	81.5	4.37	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
San Francisco, Calif.								
1951								
Oct.	-	-	-	-	-	-	4.48	-
Nov.	1.05	24.0	2.54	58.1	3.68	84.2	4.37	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								
Seattle, Wash.								
1951								
Oct.	-	-	-	-	-	-	4.88	-
Nov.	1.05	23.3	2.54	56.3	3.68	81.6	4.51	100.0
Dec.								
Jan.								
Feb.								
Mar.								
Apr.								

1/ Prices are converted to price per fresh box equivalent to facilitate comparison.

